



KEY VOTE: YES on OMAN TRADE (H.R. 5684)

July 19, 2006

Dear Representative:

On behalf of the American Apparel & Footwear Association (AAFA), the national trade association of the apparel and footwear industries, and their suppliers, I am writing to advise you that AAFA has key voted as a **YES VOTE** the United States-Oman Free Trade Agreement Implementation Act (H.R. 5684).

This legislation is important to advance the bilateral economic and commercial relationship with a key ally in the Middle East and will serve as a crucial building block for the longer term goal of establishing a Middle East Free Trade Agreement by 2013.

The agreement removes tariff and non-tariff barriers that U.S. made and branded textile, apparel, and footwear articles currently face in the Omani market. In this way, it creates important new export and trade opportunities for U.S. companies and their workers. Moreover, the agreement provides increased opportunities for Omani companies to export their products to the United States, which will support economic stability in that part of the world.

With specific reference to textiles, the agreement is based on a solid yarn forward rule of origin, which was the primary request of the U.S. textile industry. By ensuring the reciprocal elimination of duties, it meets a central requirement of the textile negotiating objectives in Trade Promotion Authority (TPA). It provides for strong textile anti-transshipment protections to guard against illegal diversion of trade. Finally, the agreement features a small tariff preference level (TPL) to permit limited amounts of third country inputs for a temporary period. This provision is important to provide the industry added flexibility to withstand competitive pressures. Since the size of the TPL is only about two-tenths of one percent of total U.S. apparel imports from the world, it will not have any adverse impact on the textile industry.

We urge you to **Vote YES** when this agreement comes to the full House for a vote.

Sincerely,

Kevin M. Burke
President and CEO